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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Reissue Patent Application of

WALTER W. COLLINS

Patent No. : 5,815,927

Issued : October 6, 1998

For : FOLDING KNIFE WITH ACTUATABLE SAFETY LOCKING
MECHANISM

Assistant Commissioner for Patents
BOX PATENT APPLICATION
Washington, D.C. 20231

Sir:

SUBMISSION OF OWNERSHIP INTEREST AND
CONSENT TO REISSUE APPLICATION

I, Douglas Flagg, am the National Sales Manager of Kai U.S.A. dba Kershaw Knives, and am authorized to act on its behalf. I have reviewed the chain of title for U.S. Patent No. 5,815,927 and have determined that Kai U.S.A. is the assignee of the entire ownership interest in the patent. Pursuant to 37 C.F.R. § 3.73(b), Kai's interest is established by the enclosed documents.

Kai U.S.A. hereby offers to surrender U.S. Patent No. 5,815,927, and consents to the above identified reissue application concerning U.S. Patent No. 5,815,927.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further, that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001

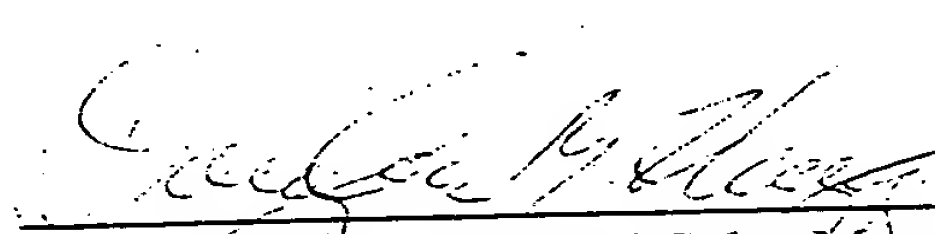
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TECHNOLOGY CENTER R3700

of title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

KAI U.S.A. dba Kershaw Knives

Date:

10-5-00



Douglas Flagg, National Sales Manager

10/05/00 14:11 224 3909
OCT-05-2000 03:27PM FROM-LEATHERWOOD 3RD FLR.
10/06/00 14:04
OCT-05-2000 03:43PM FROM-LEATHERWOOD 3RD FLR.

864-240-2479 T-850 P.002 F-350
864-240-2476 T-845 P.004/006 F-351

AGREEMENT

The B & F System, Inc. ("B & F"), having as its principal place of business 3920 South Walter Walker, Dallas, Texas 75236, has sold, assigned, and transferred, and by these presents does sell, assign, and transfer unto Kai U.S.A., Ltd, doing business as Kershaw Knives ("Kershaw"), with a principal place of business at 25300 S.W. Parkway Avenue, Wilsonville, Oregon 97070, all right, title, and interest in and to any reissues and extensions of U.S. Patent No. 5,815,927, entitled FOLDING KNIFE WITH ACTUATABLE SAFETY LOCKING MECHANISM, subject to an existing agreement between Walter W. Collins and B & F. A copy of that agreement, as amended, ("the B & F/Collins agreement") is attached.

B & F retains its rights to make, import, use, sell, and offer to sell knives under the B & F/Collins agreement. B & F acknowledges that this agreement gives it no license from Kershaw to make, import, use, sell, or offer to sell assisted-opening knives not encompassed by the definition of "Licensed invention" in the B & F/Collins agreement.

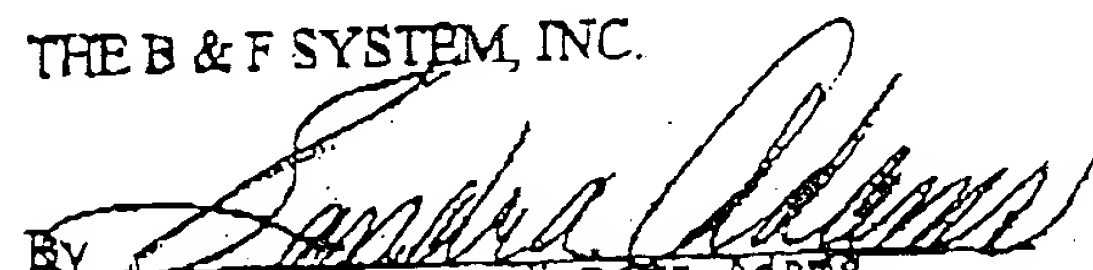
B & F also retains its rights to take appropriate action, at its expense, to combat any infringement by a third party on U.S. Patent No. 5,815,927 and any reissues and extensions thereof, and to recover damages for such infringement, but only to the extent that such infringement relates to knives defined by claims 1-11 of U.S. Patent No. 5,815,927, as originally issued on October 6, 1998. Kershaw, its successors and assigns have all remaining rights to assert and enforce, at Kershaw's expense, any reissues and extensions of U.S. Patent No. 5,815,927, and to control and settle any legal proceeding, at its sole discretion.

Kershaw hereby agrees to indemnify and hold harmless B & F for any claims arising from or related to the assignment of U.S. Patent No. 5,815,927 from Walter W. Collins to Kershaw; provided, however, such agreement to indemnify and hold harmless shall not extend to claims arising solely from products made, sold, or licensed by B & F.

This agreement is for good and valuable consideration, the receipt of which is hereby acknowledged.

IN TESTIMONY WHEREOF, this Agreement has been executed on the dates indicated below.

THE B & F SYSTEM, INC.

By: 
Bill Meyer Secretary/Treasurer
President Signing in behalf of
Bill Meyer

Date: 10-5-00

KAI U.S.A., LTD, dba KERSHAW KNIVES

By: 
Douglas Flagg
National Sales Manager

Date: 10-5-00

OCT-05-2000 04:28PM FROM-LEATHERHOOD 3RD FLR.
OCT-05-2000 03:39PM FROM-LEATHERHOOD 3RD FLR.

AGREEMENT

Walter W. Collins, ("Collins") residing at 4651 Savannah Highway, North, South Carolina, 29112, has sold, assigned, and transferred, and by these presents does sell, assign, and transfer unto Kai U.S.A., Ltd., doing business as Kershaw Knives, ("Kershaw") with a principal place of business at 25300 S.W. Parkway Avenue, Wilsonville, Oregon 97070, the entire right, title, and interest in and to U.S. Patent No. 5,815,927, entitled FOLDING KNIFE WITH ACTUATABLE SAFETY LOCKING MECHANISM, issued on October 6, 1998, subject to an existing agreement between Collins and The B & F System, Inc., as amended, ("the B & F/Collins agreement") a copy of which is attached hereto. The assignment from Collins to Kershaw includes, but is not limited to, the entire right, title, and interest in and to any and all Letters Patent, including reissues and extensions of U.S. Patent No. 5,815,927, the right to file applications for reissues and extensions of U.S. Patent No. 5,815,927, and the right to assert and enforce said Letters Patent in any legal proceeding, and to control and settle any such legal proceeding, provided, however, Kershaw agrees to bear all costs (including attorneys fees) relating to such legal proceedings, U.S. Patent No. 5,815,927, and reissues and extensions thereof.

Collins retains all rights to past and future payments due or that become due under the B & F/Collins agreement, and these rights are fully assignable, dividable, and devisable, as Collins sees fit. Collins also retains, for the full term of U.S. Patent 5,815,927 and any extensions thereof, all rights to license other parties, exclusively or nonexclusively, to make, import, use, sell, and/or offer to sell knives defined by claims 1-11 of U.S. Patent No. 5,815,927, as originally issued on October 6, 1998, in the event that the B & F/Collins agreement expires or is terminated for any reason. Kershaw agrees to timely pay all maintenance fees necessary to maintain U.S. Patent No. 5,815,927 for the maximum allowable term (including extensions) allowed by law.

Collins agrees that he will communicate to Kershaw or its representatives any facts known to him respecting said Letters Patent, and testify in any legal proceeding, sign all lawful papers, execute all divisional, continuation, substitution, renewal, and reissue applications, execute all necessary assignment papers to cause any and all of said Letters Patent to be issued to the said Kershaw, make all rightful oaths and generally do everything reasonable to aid Kershaw, its successors and assigns, to obtain and enforce proper protection for said Letters Patent in the United States, and Kershaw agrees to reimburse Collins for expenses he incurs in complying with his obligations under this paragraph.

Kershaw agrees to indemnify and hold harmless Collins for any claims arising from or related to the assignment of U.S. Patent No. 5,815,927 from Collins to Kershaw provided, however, such agreement to indemnify and hold harmless shall not extend to claims arising solely from products made, sold, or licensed by Collins.

This agreement is for good and valuable consideration, the receipt of which is hereby acknowledged.

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KOLISCH HARTWELL →→→ Kershaw Knives 004/004

OCT-05-2000 04:28PM FROM-LEATHERWOOD 3RD FLR.
OCT 05 00 02:43PM FROM-LEATHERWOOD 3RD FLR.
OCT-05-2000 03:40PM FROM-LEATHERWOOD 3RD FLR.

864-240-2479 T-850 P.004/006 F-360
864-240-2479 1-000 P.000/000

IN TESTIMONY WHEREOF, this Agreement has been executed on the dates indicated below.

Walter W. Collins
Walter W. Collins

Date: 10-5-2000

KAI U.S.A., LTD. dba KERSHAW KNIVES

By Douglas Flagg
Douglas Flagg
National Sales Manager

Date: 10-5-00